



RECEIVED FEDERAL ELECTION COMMISSION OFFICE OF GENERAL COUNSEL

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1776 K STREET NW October 28, 2002 WASHINGTON, DC 20006

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VIA HAND DELIVERY

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Lawrence H. Norton, Esq. General Counsel Federal Election Commission 999 E Street, N.W. Washington, D.C. 20463

Attention: Albert R. Veldhuyzen, Esq.

MUR 5279/Mr. Charles Kushner & Mr. Richard Stadtmauer

Dear Mr. Norton:

Re:

On behalf of Mr. Charles Kushner and Mr. Richard Stadtmauer, I am supplementing Respondents' Consolidated Response, dated September 23, 2002, by submitting this additional information in response to the Commission's findings that it has "reason to believe" Mr. Kushner and Mr. Stadtmauer may have violated 2 U.S.C. § 441a(a)(3) and 11 C.F.R. § 110.5(b) by exceeding an annual contribution limit of \$25,000 in 2000. For the reasons stated below, Mr. Kushner and Mr. Stadtmauer did not exceed their annual limits and complied with the Federal Election Campaign Act.

This response is submitted by way of supplementing the information previously provided to the Commission on September 23, 2002, as well as in response to Mr. Veldhuyzen's letter dated October 3, 2002, requesting additional information as well as the Commission's revised findings received on September 19, 2002. To the extent the Commission alleges either Mr. Kushner or Mr. Stadtmauer made contributions by virtue of serving as a "conduit," those allegations are addressed more fully in the Respondents' Consolidated Response submitted under separate cover.

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Mr. Richard Stadtmauer

The Commission's "reason to believe" notification dated July 26, 2002, asserted (at 8) the following:

"Based on a review of the campaign disclosure database, it appears that Richard Stadtmauer made contributions totaling \$36,000 in 2000."

By letter dated September 19, 2002, Mr. Albert R. Veldhuyzen revised Mr. Stadtmauer's total contributions for 2000 to \$23,000 and concluded: "Therefore, as documented in Attachment B, it appears that this particular violation is no longer relevant to Mr. Stadtmauer." *See* Attachment 1. Accordingly, we will consider the allegation regarding Mr. Stadtmauer to have been dismissed.

Mr. Charles Kushner

The Commission's "reason to believe" notice to Mr. Kushner (at 8) stated:

"Based on a review of the campaign disclosure database, it appears that Charles Kushner made contributions totaling \$43,000 in 2000."

By letter dated September 19, the Commission's staff revised Mr. Kushner's annual contribution figure to \$35,000, based upon a list of Mr. Kushner's

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contributions. *See* Attachment 1. Included on that list, however, are several contributions that should not be counted toward Mr. Kushner's annual limit in 2000.

The revised list includes the following contributions:

Friends of Schumer, 4/18/00 -- \$1,000 Friends of Schumer, 4/18/00 -- \$1,000

Pursuant to 11 C.F.R. § 110.5(c), the Schumer contributions should not count toward Mr. Kushner's annual limit for 2000 because Senator Schumer did not stand for election in 2000 (it was a "non-election year" for Senator Schumer). It should be applied, instead, to 2004 when Senator Schumer stands for re-election.

Therefore, \$2,000 should be subtracted from the Commission's revised total of \$35,000, reducing the total to \$33,000.

The revised list also includes the following contributions to the Senn 2000 Committee:

Senn 2000, 5/16/00 -- \$1,000 Senn 2000, 5/16/00 -- \$1,000 Senn 2000, 11/14/00 -- \$1,000

According to data reported at www.fecinfo.com, Mr. Kushner made two contributions of \$1,000 each on May 16, 2000, and was refunded \$1,000 by the

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Senn Committee on November 14, 2000. See Attachment 2 (Data Reported by www.fecinfo.com). Accordingly, instead of having contributed \$3,000 to the Senn Committee, Mr. Kushner contributed only \$1,000 to the Senn Committee in 2000. Accounting for this adjustment, the Commission's list should be reduced by an additional \$2,000, to \$31,000.

The Commission's list reflects two \$1,000 contributions to the Lautenberg 2000 Committee:

Lautenberg 2000 Committee, 12/5/97 -- \$1,000 Lautenberg 2000 Committee, 12/5/97 -- \$1,000

Because Senator Lautenberg did not become a candidate in the 2000 general election, it is not clear how the Lautenberg 2000 Committee accounted for the general election contribution. Mr. Kushner's staff is in the process of gathering further information from the Lautenberg 2000 Committee to determine whether the contribution was re-designated to a past Lautenberg campaign to retire campaign debt. As part of our continuing response, we will apprise the Commission of our findings. A re-designation of the general election contribution to a prior campaign would reduce the Commission's total to \$30,000.

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Mr. Kushner exercised due diligence and all times sought to comply with the limits established by the Federal Election Campaign Act and Commission regulations. However, it was only in response to the Commission's reason to believe letter that Mr. Kushner had cause to search the Commission's database, whereupon he learned an accounting mistake had been made in the way a \$9,000 contribution to the Democratic National Committee was designated and accounted for on his behalf. The contribution is included on the Commission's list as follows:

DNC Services Corporation/
Democratic National Committee, 7/20/00 -- \$9,000

At the time of the contribution, Mr. Kushner fully intended to stay within his annual contribution limits, but, as the Commission's own accounting errors in this matter attest, ensuring proper designations and accounting of each contribution over a three-year period is prone to inadvertent errors. Mr. Kushner's contribution should have been designated to the DNC's non-federal account. Having discovered the accounting error in connection with this matter, Mr. Kushner has alerted the DNC that, due to the accounting error, the \$9,000 contribution should properly have been designated to its non-federal account and he has requested a refund. See

Attachment 3. Mr. Kushner also has updated his accounting procedures to ensure

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that all contributions are properly designated in the future. Once this adjustment is complete, the Commission's total should be reduced to \$21,000.

Conclusion

Accordingly, on behalf of Mr. Charles Kushner and Mr. Richard Stadtmauer, I respectfully request that the Commission at the appropriate time find no basis for the alleged violations of 2 U.S.C. § 441a(a)(3) and 11 C.F.R. § 110.5(b).

Sincerely,

Jan Witold Baran

Attachments 1, 2 and 3

ATTACHMENT 1



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 19, 2002

VIA FACSIMILE

Mr. Jan Baran Attorney at Law Wiley, Rein & Fielding, LLP 1776 K Street, N.W. Washington, D.C. 20006

RE: MUR 5279

Dear Mr. Baran:

I am responding to your query regarding the reason to believe findings that Charles Kushner and Richard Stadunauer exceeded their annual \$25,000 contribution limitations. See 2 U.S.C. § 441a(a)(3) & 11 C.F.R. § 110.5(b).

A listing of the contributions used to calculate the amount of the violations is attached for both Mr. Kushner (Attachment A) and Mr. Stadtmauer (Attachment B). Regarding Mr. Kushner, you will notice that we have revised the amount of total contributions from \$43,000 to \$35,000 because contributions to unauthorized committees in non-election years were erroneously included. Therefore, the amount of Mr. Kushner's violation for his direct contributions is \$10,000. However, this figure does not take into account the contributions over which Mr. Kushner acted as a conduit. This figure could increase depending on the number of contributions, attributed to hird parties, over which Mr. Kushner exercised direction and control. Contributions to unauthorized committees in non-election years were also erroneously included in Mr. Stadtmauer's total. Therefore, as documented in Attachment B, it appears that this particular violation is no longer relevant to Mr. Stadtmauer.

If you have any questions, please contact me or Michelle Abellera at (202) 694-1650.

Sincerely,

Albert R. Veldhuyzen

Attorney

	Last Name	First Name	City	State	Zip Code Employer	Date of Contribution	Contribution	Contribution Contributions- Amount 2000 cycle
autenberg 2000	ق ا	Charles	Livingston	3	7039 Kushner Companies	12/5/97	\$1,000.00	
Lautenberg 2000	Kushner	Charles	Livingston	3	7039 Kushner Companies	12/5/97	\$1,000.00	
Torricelli for U.S. Senate, Inc.	Kushner	Charles	Florham Park	2	Bruckner Plaza 7932 Associates	2/19/99	\$1,000.00	
Pascrell for Congress, Inc.	Kushner	Charles	Florham Park	3	Quail Ridge 7932 Associates	3/16/99	\$1,000.00	
Bill Bradley for President, Inc	Kushner	Charles	Florham Park	3	7932 Kushner Companies	6/22/99	\$1,000.00	
Corzine 2000 Inc.	Kushner	Charles	Florham Park	3	7932 Kushner Companies	12/30/99	\$1,000.00	
Corzine 2000 Inc.	Kushner	Charles	Florham Park	3	7932 Kushner Companies	12/30/99	9 \$1,000.00	
Dear 2000 Inc.	Kushner	Charles	Charles Florham Park	3	Bruckner Plaza 7932 Associates	2/24/00	\$1,000.00	0
Menenuez (un Guingress Küslmer	י אייייייייייייייייייייייייייייייייייי	Charles	Chailes Fluitiam Park	2	7932 Kushirer Companies	371.5700	G .000.00	O
Menendez for Congress. Kushner	s Kushner	Charles	Charles Florham Park	3	7932 Kushner Companies	3/15/00	0 \$1,000.00	0
Lapolla for Congress	Kushner		Charles Florham Park	3	Bruckner Plaza 7932 Associates LP	3/20/00	91,000.00	0
Susan Bass Levin for Congress	Kushner	Charles	s Florham Park	3	Bruckner Plaza 7932 Associates	3/31/00	\$1,000.00	Ω

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Susan Bass Levin for Congress	Kushner	Charles	Flomam Park	3	Bruckner Plaza 7932 Associates	3/31/00	\$1,000.00	
Friends of Schumer	Kushner	Charles	Florham Park	3	7932 Bruckner Plaza	4/18/00	\$1,000.00	
Friends of Schumer	Kushner	Charles	Florham Park	Z	7932 Bruckner Plaza	4/18/00	\$1,000.00	
Committee for Working Families	Kushner	Charles	Florham Park	Ž	Bruckner Plaza 7932 Associales	2/2/00	\$5,000.00	
Senn 2000	Kushner	Charles	Florham Park	3	7932 Kushner Company	2/16/00	\$1,000.00	
Senn 2000	Kushner	Charles	Florham Park	3	7932 Kushner Company	5/16/00	\$1,000.00	
New Jersey State Democratic Committee	Kushner	Charles	Florham Park	2	7932 Kushner Companies	6/15/00	\$1,000.00	
Hillary Rodham Clinton for U.S. Senate	Kushner	Charles	Florham Park	2	Bruckner Plaza 7932 Associates LP	6/29/00	\$1,000.00	•
Hillary Rodham Clinton for U.S. Senate	Kushner	Charles	Florham Park	3	Bruckner Plaza 7932 Associates LP	6/29/00	\$1,000.00	
DNC Services Corporation/Democratic National Committee	Kushner	Charles	Florham Park	3	Bruckner Plaza 7932 Associates LP	7/20/00	\$9,000.00	
Senn 2000	Kushner	Charles	Florham Park	3	Bruckner Plaza 7932 Associates	11/14/00	\$1,000.00	
							.•	·

\$35,000.00

Atachment B

				·. ·				Total
Recipient		First Name City	Ç <u>i</u> Ş	State	Zip Code Employer	Date of Contribu	Sontribution Amount	Contribution Contributions- Amount 2000 cycle
TORRICELLI) - -			
FOR U S SENATE INC	STADTMAUER RICHARD	RICHARD	FLOKHAM PARK	3	7932 ASSOCIATES	2/19/99	\$1,000.00	
BILL BRADLEY FOR PRESIDENT INC	BILL BRADLEY FOR PRESIDENT INC STADTMAUER RICHARD	RICHARD	Florham Park	3	Kushner 7932 Companies	6/22/99	\$1,000.00	
PASCRELL FOR CONGRESS INC	PASCRELL FOR CONGRESS INC. STADTMAUER RICHARD	RICHARD	FLORHAM PARK	3	WALLKILL 7932 APARTMENTS	6/30/9	\$1,000.00	
EAR 2000 INC	DEAR 2000 INC STADTMAUER	RICHARD	FLORHAM PARK	2	7932 NEW PUCK LP	2/24/00	\$1,000.00	
CORZINE 2000 INC	STADTMAUER RICHARD	RICHARD	FLORHAM PARK	3	WALLKILL APARTMENT 7932 ASSOC LP	3/6/00	\$1,000.00	
CORZINE 2000 INC	STADTMAUER	RICHARD	FLORHAM PARK	3	APARTMENT APARTMENT 7932 ASSOC LP	3/6/00	\$1,000.00	
MENENDEZ FOR CONGRESS	STADTMAUER RICHAL	RICHARD	FLORHAM PARK	3	ASSOCIATES 7932 LP FI MWOOD V	3/15/00	\$1,000.00	
MENENDEZ FOR CONGRESS	STADTMAUER	RICHARD	FLOPHAM PARK	3	ASSOCIATES 7932 LP ADARTMENTS	3/15/00	\$1,000.00	
LAPOLLA FOR CONGRESS INC	STADTMAUER	RICHARD	FLORHAM PARK	3	ASSOCIATES 7932 LP	3/20/00	\$1,000.00	
FRIENDS OF SCHUMER	STADTMAUER RICHARD	RICHARD	FLORHAM PARK	3	WALLKILL 7932 APARTMENTS	4/18/00	\$1,000.00	
FRIENDS OF SCHUMER	STADTMAUER	RICHARD	FLORHAM PARK	3	WALLKILL 7932 APARTMENTS	4/18/00	\$1,000.00	

\$23,000	\$1,000.00	11/15/00	7932	3	FLORHAM PARK	RICHARD	STADTMAUER	SENN 2000
	\$1,000.00	00/06/9	7932 LP	Z	PARK	RICHARD	STADTMAUER	CONGRESS
			APARTMENTS ASSOCIATES		FLORHAM			SUSAN BASS LEVIN FOR
	\$1,000.00	6/29/00	APARTMENTS ASSOCIATES 7932 LP	3	FLORHAM PARK	RICHARD	STADTMAUER	RODHAM CLINTON FOR US
	\$1,000.00	6/29/00	APARTMENTS ASSOCIATES 7932 LP	3	FLORHAM	RICHARD	STADTMAUER	RODHAM CLINTON FOR US
	\$1,000.00	6/15/00	KUSHNER 7932 COMPANIES	3	FLORHAM PARK	RICHARD	STADTMAUER	NEW JERSEY DEMOCRATIC STATE CO
	\$1,000 00	5/16/00	7932 QUAIL RIDGE	3	FLORHAM PARK	RICHARD	STADTMAUER	SENN 2000
	\$1,000 00	5/16/00	7932 QUAIL RIDGE	3	FLORHAM PARK	RICHARD	STADTMAUER	SENN 2000
	\$5,000.00	5/2/00	WALLKILL APARTMENTS 7932 ASSOCIATES	ž	FLORHAM PARK	RICHARD	STADTMAUER	COMMITTEE FOR WORKING FAMILIES
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Attachment B

		FLORHAM	:	WALLKILL APARTMENTS			
STADTMAUER	RICHARD	PARK	2	7932 ASSOCIALES	00/7/0		٠.
STADTMAUER	RICHARD	FLORHAM PARK	3	7932 QUAIL RIDGE	5/16/00	\$1,000.00	
STADTMAUER	RICHARD	FLORHAM PARK	3	7932 QUAIL RIDGE	5/16/00	\$1,000 00	
STADTMAUER	RICHARD	FLORHAM PARK	3	KUSHNER 7932 COMPANIES APARTMENTS	6/15/00	\$1,000.00	
STADTMAUER	RICHARD	FLORHAM PARK	2	ASSOCIATES 7932 LP	6/29/00	\$1,000.00	
STADTMAUER	RICHARD	FLORHAM PARK	3	ASSOCIATES 7932 LP	6/29/00	\$1,000.00	
STADTMAUER	RICHARD	FLORHAM PARK	3	ASSOCIATES 7932 LP	00/02/9	\$1,000.00	
STADTMAUER	RICHARD	FLORHAM PARK	3	7932	11/15/00	\$1,000.00	\$23,000

ATTACHMENT 2

Charles Kushner Contributions to Senn 2000

(From www.fecinfo.com)

KUSHNER, CHARLES

5/16/00 \$1,000.00 FLORHAM PARK, NJ 07932 KUSHNER COMPANY -[Contribution] SENN 2000 Senate Image Not Available from FEC

KUSHNER, CHARLES

5/16/00 \$1,000.00 FLORHAM PARK, NJ 07932 KUSHNER COMPANY -[Contribution] <u>SENN 2000</u> Senate Image Not Available from FEC

KUSHNER, CHARLES

11/14/00 -\$1,000.00 FLORHAM PARK, NJ 07932 -[contribution refunded to individual] SENN 2000 Senate Image Not Available from FEC

ATTACHMENT 3

Bruckner Plaza Associates, LP 26 Columbia Turnpike Florham Park, New Jersey 07932

Via Fax & Mail

Neill P. Reiff
Deputy General Counsel
Democratic National Committee
c/o Sandler, Reiff & Young
50 E Street, S.E.
Suite 300
Washington, D.C. 20003

Re: Refund Request

Dear Mr. Reiff:

On behalf of Bruckner Plaza Associates L.P. and Mr. Charles Kushner, I write to request a refund of a contribution dated July 20, 2000, in the amount of \$9,000. Upon a review of Bruckner Plaza's records, it recently has come to my attention that, due to an accounting error, this contribution was mistakenly designated to the DNC's federal account when it was supposed to be designated to the non-federal account.

Accordingly, please refund the \$9,000 contribution to Bruckner Plaza Associates L.P., at the address below, and report the refund to Bruckner Plaza and Mr. Kushner on the DNC's next scheduled report. Your courtesy in this matter is appreciated.

Bruckner Plaza Associates L.P. Attn: Mr. Scott Zecher 26 Columbia Tumpike Florham Park, New Jersey 07932

Sincerely,

Scott Zecher

Executive Vice President/Chief Financial Officer